

~~SECRET~~

MINUTES

OF THE

CIA CAREER COUNCIL

34th Meeting, Thursday, 8 November 1956, 3:00 P.M.
DCI Conference Room, Administration Building

Present

Harrison G. Reynolds, Director of Personnel, Chairman

Matthew Baird, Director of Training, Member

25X1A9a [REDACTED] Chief, Admin Staff, OC, Alternate for Director of
Communications, Member

25X1A9a [REDACTED] Chief of Operations, DD/P, Alternate for DD/P, Member

25X1A9a [REDACTED] James B. Kirkpatrick, Inspector General, Member

[REDACTED] Assistant to the DD/I (Admin), Alternate for Deputy
Director (Intelligence), Member

Lawrence K. White, Deputy Director (Support), Member

25X1A9a [REDACTED] Deputy Director of Personnel for Planning and
Development, Executive Secretary

25X1A9a [REDACTED] Office of Personnel, Reporter

Guests

[REDACTED], Special Support Assistant (Personnel)
/P

25X1A9a [REDACTED] Assistant Executive Officer, DD/P
Staff, DD/P

[REDACTED] Office of the General Counsel
Chief, Management Staff

Norman Paul, Legislative Counsel

25X1A [REDACTED] Special Assistant to the DD/S
[REDACTED], Chief, LETS
[REDACTED], Deputy Director of Personnel

*Members of the Ad Hoc Committee on Foreign Language Development

1. The minutes of the 33rd meeting held on 31 October were approved after paragraph 3 had been amplified to read as follows (added portion is underlined):

"3. The Council discussed in some detail the dropping of the provision permitting CIA to employ a larger number of retired military personnel than now permitted (Public Law 110

~~SECRET~~

S-E-C-R-E-T

SUBJECT: Minutes 34th Meeting of CIA Career Council

as amended by Public Law 53) and agreed that such action was appropriate inasmuch as we were informed by the Committees of Congress that it was unacceptable and its inclusion would jeopardize the passage of the Bill."

2. Prior to taking up the formal Agenda, Mr. Norman Paul presented to the Council that remaining portion of the proposed CIA Legislation that had to do with accelerated retirement. The pertinent papers were distributed (attached hereto). The proposal included, basically, one and a half years' credit toward retirement for each year of service overseas at a non-hardship post and two years' credit for each year at a hardship post. Voluntary retirement would be subject to the approval of the Director after the individual had passed age 50 and had had 20 years total Government service. With respect to "involuntary retirement" it became clear during the discussion that retirement per se could not be involuntary. A person who was involuntarily separated for reasons other than "for cause on charges of misconduct or delinquency" (at any age after 25 years of service or at age 50 after 20 years of service) would be eligible to count in his annuity whatever "accelerated" credit he had accrued, according to the basic formula of one and a half years for non-hardship overseas duty and two years for hardship duty. In other words, if the individual is entitled to any retirement annuity when he is involuntarily separated, including such reasons as inefficiency, reduction-in-force, abolishing of the job, etc., he would be entitled also to credit for his overseas service. The Council recognized, as the submitted examples showed, that credit of 2 for 1 at a hardship post raised the retirement annuity to significantly high figures. It agreed, however, that we should attempt to achieve this benefit. The Inspector General stated that he was working on a list of proposed hardship posts and would circulate the list when it was complete.

3. The Council discussed the proposed Regulation [REDACTED] "Assignments," 25X1A (Item 3 on the Agenda) which had been prepared as a statement of basic personnel policy. The Council agreed that it would be preferable for this policy to be issued over the Director's signature as an all-employee notice rather than as a regulation and directed that the matter be referred back to the Council in that form.

25X1A+ 4. The Council reviewed the circumstances of the publication of Regulation [REDACTED] "Career Planning for Individuals" and directed that it be republished in the form originally approved by the Council.

5. The Ad Hoc Committee on Foreign Language Development met with the Council (Item 4 on the Agenda). It was agreed to refer back to the Ad Hoc Committee the points raised by the DD/P and the Director of Training with instructions to report back to the Council at its next meeting on 15 November, if possible.

S-E-C-R-E-T

S-E-C-R-E-T

SUBJECT: Minutes of 34th Meeting of CIA Career Council

6. The Council discussed the problem of coordination and publication of regulations on which the Council had taken action. It was agreed that in the future with respect to all regulations affecting personnel policy that when the draft had been prepared by either the Office of Training or the Office of Personnel it would be circulated to members of the Council sufficiently in advance of the meeting at which it would be acted upon so that the Council might take final action with the necessity for editorial or other revisions being made prior to publication. It would be the responsibility of the Executive Secretary to determine from the members of the Council how much time they and their staffs needed for further study. This would determine the date when it would be placed on the Agenda of the Council. It was further agreed that after the Council had taken action, the proposed regulation would lie open until the close of business the following Tuesday (i.e., three working days - Friday, Monday, and Tuesday) before it would be sent to the printer. If no member of the Council had requested an extension of time beyond the close of business Tuesday the regulation would be printed as agreed at the previous meeting of the Council.

7. The Council briefly discussed once again the problem of getting word to all employees of the developments in the Career Service Program. It was recognized that much had been accomplished in the past three years but that there was still much difficulty in getting the story to all working levels in the Agency. The Executive Secretary was instructed to present a program for review by the Council at its meeting on 29 November 1956.

8. The Council discussed the problem of persons with SA service designations on the T/O of the Director's Office and referred the matter to the Executive Secretary for preparation of a solution. [The Deputy Director (Support) subsequently decided to assume this responsibility.]

9. The Council adjourned at 5:20 P.M. to meet next on 15 November and 29 November.



Executive Secretary
CIA Career Council

25X1A9a

Attachments

Proposed CIA Legislation on Accelerated Retirement

S-E-C-R-E-T

of such vehicles.

SECTION 5. Section 10(a)(1) of such Act is amended by inserting "Chapter 171 of" immediately before "28 U.S.C."

SECTION 6. "Such Act is amended by inserting a new Section 9 which shall read as follows:

Section 9. (a) For the purpose of computing eligibility for retirement and the amount of the annuity under the Civil Service Retirement Act (Act of 22 May 1920, as amended, 5 U.S.C. 691) each year of service abroad as an employee of the Agency after 18 September 1947 shall be credited as one and one half years of service and each such year served at a post abroad classified by the Director as an unhealthful post by reason of climatic or other extreme conditions shall be credited as two years of service. The retirement ages prescribed in the Civil Service Retirement Act shall be lowered by the number of months of extra service credit granted for service abroad and at unhealthful posts. Such additional credits shall be granted proportionately for fractional years of service:

Provided, That voluntary retirement shall not be allowed until such persons shall have reached 50 years of age and shall have completed twenty years of actual service with the United States Government, and then only with approval of the Director.

(b) No annuity paid under the Civil Service Retirement Act shall be reduced solely because the annuitant has retired at an age lowered in accordance with the provisions of subsection (a) of this Section. The base age provided by the Civil Service Retirement Act for computing a percentage reduction in annuities shall be

COMPARISON OF RETIREMENT SYSTEMS

Example 1. Individual retiring at age 60 with 30 years actual service with an average salary for his highest five years of \$7465 (top step of Grade GS-11).

a. With 4 years overseas at non-hazardous posts.

<u>Normal CSC Retirement</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad</u>	<u>2% Scale Used By Foreign Service</u>
1 $1\frac{1}{2}\%$ x 7465 x 5 - \$ 559.85	1 $1\frac{1}{2}\%$ x 7465 x 5 - \$ 559.85	2% x 7465 x 30
1 $3\frac{3}{4}\%$ x 7465 x 5 - 653.20	1 $3\frac{3}{4}\%$ x 7465 x 5 - 653.20	
2% x 7465 x 20 - 2986.00	2% x 7465 x (20+2*) - 284.60	
Annuity - \$4199.05	Annuity - \$497.65	Annuity - \$4479.

* 2 years additional credit for overseas service

(Alternate Note: With our acceleration, the individual could retire at age 58, in this case at normal CSC retirement annuity of \$199.05.)

b. With 16 years overseas, 4 of which were at hazardous posts.

<u>Normal CSC Retirement</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad</u>	<u>2% Scale Used By Foreign Service</u>
	1 $1\frac{1}{2}\%$ x 7465 x 5 - \$ 559.85	2% x 7465 x (30+2**)
	1 $3\frac{3}{4}\%$ x 7465 x 5 - 653.20	
	2% x 7465 x (20+6+4*) - 4479.00	
Annuity same as above	Annuity - \$5692.05	Annuity - \$4777.60

* 6 years additional credit for the 12 years at non-hazardous posts, 4 years additional credit for the 4 years at hazardous posts - total of 10 years additional credit.

** 2 years credit based on Foreign Service provision for 6 months credit for each year spend at a hazardous post.

(Alternate Note: With our acceleration, the individual could retire at age 50, in this case at normal CSC retirement annuity of \$4199.05.)

Example 2. This case is designed to compare the CSC retirement scale with the Foreign Service Retirement scale at age 50 with 20 years actual service (10 years overseas at non-hazardous posts). Figures are based on an average salary of \$7465 as above.

<u>Normal CSC Retirement (Deferred to Age 62)</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad (Deferred to Age 62)</u>	<u>2% Scale Used By Foreign Service</u>
1 $1\frac{1}{2}\%$ x 7465 x 5 - \$ 559.85	1 $1\frac{1}{2}\%$ x 7465 x 5 - \$ 559.85	2% x 7465 x 20
1 $3\frac{3}{4}\%$ x 7465 x 5 - 653.20	1 $3\frac{3}{4}\%$ x 7465 x 5 - 653.20	
2% x 7465 x 10 - 1493.00	2% x 7465 x (10+5) - 2239.50	
Annuity - \$2706.05	Annuity - \$3452.55	Annuity - \$2986.
Less 15% for retiring 10 years under age 60 provides annuity of \$2300.15	Less 15% for retiring 10 years under age 60 provides annuity of \$2934.67	

C-I-A I-N-T-E-R-N-A-L U-S-E O-N-L-Y

COMPARISON OF RETIREMENT SYSTEMS

Example 3. Individual retiring at age 60 with 30 years actual service with an average salary for his highest five years of \$12,690 (top step of Grade GS-15).

a. With 4 years overseas at non-hazardous posts.

<u>Normal CSC Retirement</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad</u>	<u>2% Scale Used By Foreign Service</u>
1 $1\frac{1}{2}\%$ x 12,690 x 5 - \$ 951.75	1 $1\frac{1}{2}\%$ x 12,690 x 5 - \$ 951.75	2% x 12,690 x 30
1 $3\frac{3}{4}\%$ x 12,690 x 5 - 1110.38	1 $3\frac{3}{4}\%$ x 12,690 x 5 - 1110.38	
2% x 12,690 x 20 - 5076.00	2% x 12,690 x (20+2)* 5583.60	
Annuity - \$7138.13	Annuity - \$7645.73	Annuity - \$7614.

* 2 years additional credit for overseas service

(Alternate Note: With our acceleration, the individual could retire at age 58, in this case at CSC retirement annuity of \$7138.13.)

b. With 16 years overseas, 4 of which were at hazardous posts.

<u>Normal CSC Retirement</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad</u>	<u>2% Scale Used By Foreign Service</u>
	1 $1\frac{1}{2}\%$ x 12,690 x 5 - \$ 951.75	2% x 12,690 x (30+2)**
	1 $3\frac{3}{4}\%$ x 12,690 x 5 - 1110.38	
	2% x 12,690 x (20+6+4)* 7614.60	
Annuity Same as Above	Annuity - \$9676.13	Annuity - \$8121.60

* 6 years additional credit for the 12 years at non-hazardous posts,
4 years at hazardous posts - total of 10 years additional credit

** 2 years credit based on Foreign Service provision for 6 months
credit for each year spent at a hazardous post

(Alternate Note: With our acceleration, the individual could retire at age 50, in this case at CSC retirement annuity of \$7138.13.)

Example 4. This case is designed to compare the CSC retirement scale with the Foreign Service Retirement scale at age 50 with 20 years actual service (10 years overseas at non-hazardous posts). Figures are based on average salary of \$12,690 as above.

<u>Normal CSC Retirement (Deferred to Age 62)</u>	<u>CSC Retirement With CIA Proposed Acceleration For Service Abroad (Deferred to Age 62)</u>	<u>2% Scale Used By Foreign Service</u>
1 $1\frac{1}{2}\%$ x 12,690 x 5 - \$ 951.75	1 $1\frac{1}{2}\%$ x 12,690 x 5 - \$ 951.75	2% x 12,690 x 20
1 $3\frac{3}{4}\%$ x 12,690 x 5 - 1110.38	1 $3\frac{3}{4}\%$ x 12,690 x 5 - 1110.38	
2% x 12,690 x 10 - 2538.00	2% x 12,690 x (10+5) - 3807.00	
Annuity - \$4600.13	Annuity - \$5869.13	Annuity - \$5076.
Less 15% for retiring 10 years under age 60 provides annuity of \$3910.11.	Less 15% for retiring 10 years under age 60 provides annuity of \$4988.76.	

C-I-A I-N-T-E-R-N-A-L U-S-E O-N-L-Y